

U.S. Department of Justice

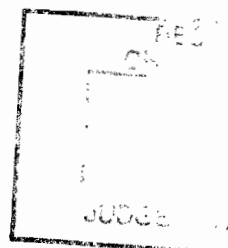
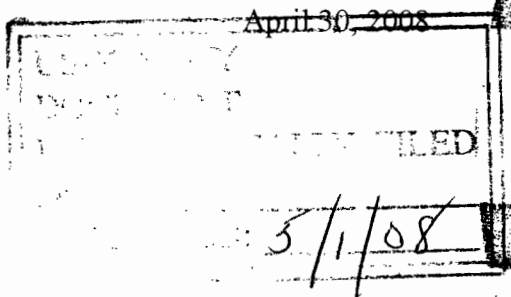


United States Attorney
Southern District of New York

86 Chambers Street, 3rd Floor
New York, New York 10007

BY HAND

Hon. Shira A. Scheindlin
United States District Judge
United States Courthouse
500 Pearl Street, Room 1620
New York, New York 10007



Re: In re Dana Corporation, et al., Docket No. 07 Civ. 8160 (SAS)

Dear Judge Scheindlin:

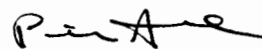
The Government writes respectfully to provide the Court with an update as to the status of the parties' settlement discussions in this matter. As we have previously advised the Court, the parties have reached an agreement-in-principle to settle all of the Government's environmental claims against the Debtors in this case. On February 29, 2008, the Court granted the parties' request to suspend discovery until March 14, 2008, to permit the parties time to negotiate a settlement agreement and seek necessary settlement approvals. On March 14, 2008, the Court extended the suspension of the discovery schedule until April 14, 2008. Since that time, the parties have worked diligently to finalize a written agreement, and on April 29, 2008, the Debtors and the Claims Monitor executed the settlement document. The parties, however, require additional time to permit another party to the agreement to execute the document, and to submit the agreement to the Department of Justice and the Environmental Protection Agency for approval. Thus, the parties respectfully request that the Court continue to suspend this matter for another 30 days, until May 30, 2008. The parties further request that the Court adjourn the May 9, 2008 conference.

Thank you for your consideration of this matter.

Respectfully,

MICHAEL J. GARCIA
United States Attorney

By:


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cc: All counsel (via e-mail)

*This matter will
continue on suspension
until May 30, 2008.
and June 9 at 4:30
so ordered.
PAG*

5/1/08